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TAGS: [ETRD](#) [ETTC](#) [PREL](#) [CU](#) [SF](#)  
SUBJECT: SOUTH AFRICA 2007 RESPONSE TO  
CUBA:COUNTRY-BY-COUNTRY REVIEW REQUEST

REF: A. SECSTATE 65523

[1](#)B. 05 PRETORIA 004697  
[1](#)C. 07 PRETORIA 005152

Classified By: Ambassador Bost for reasons 1.4(b) and (d)

[1](#)1. (C) Ref A requests post's assistance in obtaining updated information necessary to provide the President with an assessment of South Africa's policy toward Cuba for use in assessing whether to suspend Title III of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act.

[1](#)2. (C) South Africa's relations with Cuba continue to be warm. The South African Government (SAG) policy towards Cuba is not based on advancing democracy, human rights and fundamental freedoms in Cuba but rather is predicated on close cooperation between the Cuban government and the African National Congress (ANC) during the struggle against apartheid. The SAG regards Cuba as one of its stalwart anti-apartheid supporters. As noted in Ref B, without Cuban financial and military assistance in the 1980's, the ANC believes South Africa's liberation from apartheid would have taken longer and caused the loss of more lives.

[1](#)3. (C) The Joint Consultative Mechanism between South Africa and Cuba was established in October 2001, and last met in South Africa in January 2006. The next Joint Bilateral Commission meeting is tentatively scheduled for November 2007 in South Africa. There are a range of exchange programs between South Africa and Cuba, including programs that have brought Cuban doctors and teachers to South Africa, scholarships for black South Africans to study in Cuba, and agreements in the fields of sport and recreation, air service, merchant shipping, scientific and technological cooperation, and water resources management. As detailed in Ref C, the program to send Cuban doctors to South Africa to work in public hospitals is winding down because too many of the doctors chose to remain in South Africa instead of returning to Cuba. In addition to cooperative agreements, Cuba and South Africa signed a Trade Agreement in 1997. The SAG does not agree with the USG on policy toward Cuba and has consistently voted against USG-sponsored or supported human rights resolutions in international fora.

[1](#)4. (U) According to the following data, the economic relationship with Cuba is not significant to South Africa:

-- South African exports to Cuba totaled R3.5 million (500,000 USD) and R1.6 million (230,000 USD) in 2005 and 2006, respectively. This constituted a considerable drop in exports that moved Cuba's ranking from 181 to 185 out of 245 trade partners. However, export figures for the first two months of 2007 at R750,000 (107,000 USD) show an increase over 2006 that put exports more in line with 2005 figures. Exports to Cuba constituted a minuscule portion of South

Africa's total exports and were mainly comprised of chemical products, machinery and clothing textiles.

-- South African imports from Cuba totaled R16.6 million (2.3 million USD) and R22.9 million (3.3 million USD) in 2005 and 2006, respectively. January and February figures indicate a slight 14 percent decrease in imports by South Africa from the same period in 2006. Imports from Cuba comprised less than one percent of all South African imports and were dominated by chemical products, as well as foodstuffs, beverages, tobacco products, and chemical products.

-- South African foreign direct investment in Cuba totaled 500,000 USD from 1990 through 1999. Direct investment in Cuba constitutes such a minor number that the South Africa Reserve Bank does not currently list Cuban investment as a disaggregate number.

15. (C) The Department of Trade and Industry (DTI) sent a delegation to Cuba in October 2006. The delegation's main purpose was to discuss payment of outstanding debts owed to South Africa by Cuba, especially approximately 30 million USD of export credit guarantees extended in the 1990s. According to one member of the delegation, Department of Trade and Industry official Cobs Pillay, the Export Credit Insurance Corporation of South Africa wanted to press Cuba by raising the debt issue in the Paris Club, but was overruled by DTI's political leadership in order to protect the bilateral relationship. Pillay told us that the economic relationship between the countries is of minor importance to South Africa, with the few remaining ties reflecting little more than the close political connection created during the apartheid struggle in South Africa. Pillay also commented that trade between the countries is not expected to increase as Cuba continues to press for trade under a barter system, while South Africa will only trade using a monetary basis.

16. (C) Therefore, in post's view, a waiver of the Title III right to bring an action against entities and nationals of South Africa is not necessary to US national interests nor will it expedite a transition to democracy in Cuba. The SAG has not cooperated with the USG on Cuba policy and is not likely to do so. The SAG is unlikely to be influenced by the USG renewing or withholding a waiver.  
Bost